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10 **UNITED STATES BANKRUPTCY COURT**  
11 **CENTRAL DISTRICT OF CALIFORNIA – SANTA ANA DIVISION**

12 In Re

13 2<sup>ND</sup> CHANCE INVESTMENTS GROUP, LLC

14 Reorganized Debtor

Case No.: 8:22-bk-12142-SC

Chapter 11

**STATUS CONFERENCE REPORT BY  
THE LIQUIDATING TRUST of 2<sup>nd</sup>  
CHANCE INVESTMENT GROUP, LLC**

Hearing:

Date: October 23, 2024

Time: 11:00 a.m.

Location: Courtroom 5C – Virtual

411 West Fourth St.

Santa Ana, CA 92701

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22 **TO THE HONORABLE SCOTT C. CLARKSON, UNITED STATES BANKRUPTCY**  
23 **JUDGE, THE UNITED STATES TRUSTEE, THE OFFICIAL COMMITTEE OF**  
24 **UNSECURED CREDITORS, AND ALL OTHER INTERESTED PARTIES:**

25 2<sup>nd</sup> Chance Investment Group, LLC., the Reorganized Debtor (“Debtor”) provides the  
26 following Status Conference Report by the Liquidating Trust of 2<sup>nd</sup> Chance Investment Group,  
27 LLC (“Report”) for events that transpired since the last status conference was held on June 12,  
28 2024.

**A. Debtor in Possession is in Compliance with UST Guidelines**

Debtor filed a monthly operating report on July 9, 2024, for the month ending March 31, 2024, to comply with reporting requirements through the Effective Date. Debtor filed a Notice of Occurrence of the Effective Date of Debtor's Chapter 11 Plan on July 18, 2024, as ECF No. 433. The Effective Date of the Plan was March 1, 2024. Debtor filed a Post-Confirmation Report ("PCR") on August 21, 2024, as ECF No. 435. Debtor is working to file its next PCR for the third quarter of 2024 prior to the upcoming status conference. Debtor is compliant under 11 U.S.C. §§521, 1006, and 1107, and with the applicable Guidelines of the Office of the United States Trustee ("UST")<sup>1</sup>.

**B. The Liquidating Trust**

The Plan created a liquidating trust that transferred assets of Debtor to the Liquidating Trust. All real property of Debtor has been sold. The sole remaining assets of Debtor are causes of action being pursued by the Official Committee of Unsecured Creditors ("Committee"). The Liquidating Trust generally provides that costs associated with the litigation will be paid along with other administrative fees of the estate with excess proceeds disbursed pro-rata to the general unsecured class.

**C. Liquidating Trust Distributions**

Grobstein Teeple, LLP prepared the PCR that was filed on August 21, 2024, as ECF No. 435. The Q2 2024 PCR shows \$70,097 in disbursements with \$65,174 being paid in professional fees as follows:

Goe, Forsythe & Hodges, LLP: \$28,189.76  
Financial Relief Law Center, APC: \$26,404.95  
Grobstein Teeple, LLP: \$3,057.14  
David M. Goodrich: \$7,522.46

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<sup>1</sup> [https://www.justice.gov/ust/file/volume\\_3\\_chapter\\_11\\_case\\_administration.pdf/download](https://www.justice.gov/ust/file/volume_3_chapter_11_case_administration.pdf/download)

**D. Adversary Proceedings**

A. Geoff Trapp filed an adversary proceeding on behalf of Clotee Downing, against Debtor and the former restructuring officer, creating case number 8:24-ap-01105-SC. Debtor filed a motion to dismiss on September 11, 2024, as ECF No. 10. The Court continued the hearing on the motion to dismiss to November 13, 2024, at 11:00 a.m.

B. The Committee filed seven adversary complaints against various defendants. Per the Committee, it has been involved in settlement negotiations with three defendants and reached terms with one defendant in which it is finalizing the written agreement. A settlement approval motion should be filed within the next thirty days. Discovery is underway and expected to be completed in the next sixty days in most of the adversaries.

October 3, 2024

Respectfully Submitted,

/s/ Andy C. Warshaw

Andy C. Warshaw  
Attorneys for Liquidating Trust  
1200 Main St., Suite C  
Irvine, CA 92614

**DECLARATION OF DAVID M. GOODRICH<sup>2</sup>**

I, David M. Goodrich, declare as follows:

1. Except as otherwise stated, I have personal knowledge of the facts set forth in this Declaration and, if called as a witness, could and would testify competently to such facts under oath. I am submitting this supplemental declaration in support of the *Status Conference Report by the Liquidating Trust of 2<sup>nd</sup> Chance Investment Group, LLC* (“Status Report”).
2. I am the Liquidating Trustee of the Liquidating Trust 2<sup>nd</sup> Chance Investment Group, LLC.
3. Debtor filed a monthly operating report on July 9, 2024, for the month ending March 31, 2024.
4. Debtor filed a Notice of Occurrence of the Effective Date of Debtor’s Chapter 11 Plan on July 18, 2024, as ECF No. 433.
5. The Effective Date of the Plan was March 1, 2024.
6. Debtor filed a Post-Confirmation Report (“PCR”) on August 21, 2024, as ECF No. 435.
7. Debtor is working to file its next PCR for the third quarter of 2024 prior to the upcoming status conference.
8. Debtpr’s Chapter 11 Plan created a liquidating trust that transferred assets of Debtor to the Liquidating Trust.
9. All real property of Debtor has been sold.
10. The sole remaining assets of Debtor are causes of action being pursued by the Official Committee of Unsecured Creditors (“Committee”).
11. Grobstein Teeple, LLP prepared the PCR that was filed on August 21, 2024, as ECF No. 435. The Q2 2024 PCR shows \$70,097 in disbursements with \$65,174 being paid in professional fees as follows:  
Goe, Forsythe & Hodges, LLP: \$28,189.76

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<sup>2</sup> All capitalized terms have the same definition or meaning as the capitalized terms in the Repor.

1 Financial Relief Law Center, APC: \$26,404.95

2 Grobstein Teeple, LLP: \$3,057.14

3 David M. Goodrich: \$7,522.46

4  
5 12. Geoff Trapp filed an adversary proceeding on behalf of Clotee Downing, against Debtor  
6 and myself, creating case number 8:24-ap-01105-SC. Debtor filed a motion to dismiss on  
7 September 11, 2024, as ECF No. 10. The Court continued the hearing on the motion to dismiss  
8 to November 13, 2024, at 11:00 a.m.  
9

10 13. The Committee filed seven adversary complaints against various defendants. Per the  
11 Committee, it has been involved in settlement negotiations with three defendants and reached  
12 terms with one defendant in which it is finalizing the written agreement. A settlement approval  
13 motion should be filed within the next thirty days. Discovery is underway and expected to be  
14 completed in the next sixty days in most of the adversaries.  
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19 I declare under the penalty of perjury that the foregoing is true and correct. Executed this  
20 3<sup>rd</sup> day of October 2024, in Costa Mesa, California.

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24 David M. Goodrich  
25 Liquidating Trustee  
26 2<sup>nd</sup> Chance Investment Group, LLC  
27 Liquidating Trust  
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In re: <b>2nd Chance Investment Group, LLC</b>	Debtor(s).	CHAPTER: 11 CASE NUMBER: <b>8:22-bk-12142-SC</b>
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## PROOF OF SERVICE OF DOCUMENT

I am over the age of 18 and not a party to this bankruptcy case or adversary proceeding. My business address is:  
**1200 Main St., Suite C**  
**Irvine, CA 92614**

A true and correct copy of the foregoing document entitled (*specify*): **Status Conference Report by the Liquidating Trust of 2nd Chance Investment Group, LLC** will be served or was served (a) on the judge in chambers in the form and manner required by LBR 5005-2(d); and (b) in the manner stated below:

**1. TO BE SERVED BY THE COURT VIA NOTICE OF ELECTRONIC FILING (NEF):** Pursuant to controlling General Orders and LBR, the foregoing document will be served by the court via NEF and hyperlink to the document. On **10/03/2024**, I checked the CM/ECF docket for this bankruptcy case or adversary proceeding and determined that the following persons are on the Electronic Mail Notice List to receive NEF transmission at the email addresses stated below:

Michael Jay Berger michael.berger@bankruptcypower.com,  
yathida.nipha@bankruptcypower.com;michael.berger@ecf.inforuptcy.com  
Amanda G. Billyard abillyard@bwlawcenter.com  
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stephan@thebklawoffice.com;roslyn@thebklawoffice.com;brown.stephanb125317@notify.bestcase.com  
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Jennifer C Wong bknotice@mccarthyholthus.com, jwong@ecf.courtdrive.com

In re: <b>2nd Chance Investment Group, LLC</b>	Debtor(s).	CHAPTER 11 CASE NUMBER <b>8:22-bk-12142-SC</b>
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**2. SERVED BY UNITED STATES MAIL:**

On \_\_ - \_\_, I served the following persons and/or entities at the last known addresses in this bankruptcy case or adversary proceeding by placing a true and correct copy thereof in a sealed envelope in the United States mail, first class, postage prepaid, and addressed as follows. Listing the judge here constitutes a declaration that mailing to the judge will be completed no later than 24 hours after the document is filed.

None

**3. SERVED BY PERSONAL DELIVERY, OVERNIGHT MAIL, FACSIMILE TRANSMISSION OR EMAIL** (state method for each person or entity served): Pursuant to F.R.Civ.P. 5 and/or controlling LBR, on \_\_ - \_\_, I served the following persons and/or entities by personal delivery, overnight mail service, or (for those who consented in writing to such service method), by facsimile transmission and/or email as follows. Listing the judge here constitutes a declaration that personal delivery on, or overnight mail to, the judge will be completed no later than 24 hours after the document is filed.

None.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

**October 3, 2024**

*Date*

**Andy C. Warshaw**

*Printed Name*

**/s/ Andy C. Warshaw**

*Signature*